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# Foreign CROPS AND MARKETS



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U. S. DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF FOREIGN AGRICULTURAL RELATIONS

WASHINGTON 25, D. C.

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### L A T E N E W S

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The Belgian Government will discontinue import fees on, and in turn grant subsidies to producers of, cheese, condensed and powdered milk.

- - - - -

British Guiana will permit the granting of open general licenses as of May 21 for condensed milk (sweetened), evaporated milk, powdered milk, and milk-based infant and invalid foods.

- - - - -

The Cuban Government announced there is no need for duty-free entry of condensed milk to supplement domestic production during the current dry season. This is the first year since 1942 that local production was sufficient to meet dry season requirements. The Government has not commented on import duties for evaporated milk in which most trade occurs and which also were reduced during the dry season in the last 2 years. The present duty for both products is about 2.6 cents per pound, gross weight.

#### FOREIGN CROPS AND MARKETS

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## WORLD PEANUT PRODUCTION DOWN FROM EARLIER EXPECTATIONS

World peanut production in 1949 was less than expected in earlier estimates, according to the latest information available to the Office of Foreign Agricultural Relations. Total output is now placed at 10,800,000 short tons of unshelled nuts, a decrease of 2 percent from the 11,025,000-ton record of 1948 but an increase of 13 percent over the 1935-39 average. The decrease from 1948 is accounted for principally by crop reductions in North America and Africa.

The current estimate is 660,000 tons less than earlier expectations (see Foreign Crops and Markets, November 21, 1949), due chiefly to the sharp revision (unofficial) in India's output. Revised estimates from French West Africa and Nigeria were also lower. Unfavorable weather was the decisive factor in the reductions of early forecasts.

The decline in North American peanut production was due almost entirely to the decrease in the United States crop from an all-time high of 1,169,200 in 1948 to 926,000 tons in 1949. For the first time since 1941 United States output dropped below the one million-ton mark. Despite this, however, 1949 production exceeded the 1935-39 average by 50 percent. Acreage allotments and marketing quotas sharply reduced the 1949 crop.

Mexican production, as yet not officially reported, is believed to have been somewhat higher than the 1948 crop of 38,600 tons. Cuban peanut production has declined rapidly in the past few years. In 1949 only 8,500 tons were harvested, the smallest outturn since 1938. The Dominican Republic reported a crop of 23,000 tons, the largest on record.

The 1949 harvest in Asia exceeded 1948 by 261,000 tons, principally the result of good crops in India and China, the world's major peanut producers. India's output, now estimated at 3,680,000 tons, represents an increase of 7 percent over 1948 and 12 percent over prewar. The 9 percent acreage increase over 1948, together with favorable weather during the early part of the season, led to a pre-harvest forecast of approximately 4,200,000 tons. However, erratic and unfavorable weather in some areas, damage due to insect pests in other areas, and excessive rains and floods in some remaining areas reduced the current estimate to 3,680,000 tons. Prevalence of good peanut prices--the highest on record in India--was a major incentive for increasing peanut acreage in 1949.

The estimate for China remains at 3,224,300 tons or 2 percent above 1948 and 10 percent above prewar.

Reports indicate that Burma's harvested acreage of peanuts dropped from 650,000 acres in 1948 to about 380,000 in 1949. Production was therefore expected to have decreased proportionately. Postwar economic and political disturbances as well as adverse weather are responsible for these reductions.

PEANUTS 1/: Acreage and production in specified areas, year of harvest,  
average 1935-39, annual 1945-49

Continent and country	Acreage 2/					Production									
	Average : 1935-39 :	1945 :	1946 :	1947 :	1948 :	1949 2/ :	Average : 1935-39 :	1945 :	1946 :	1947 :	1948 :	1949 3/ :			
	1,000 : acres :	1,000 : acres :	1,000 : acres :	1,000 : acres :	1,000 : acres :	1,000 : acres :	1,000 : tons :	1,000 : tons :	1,000 : tons :	1,000 : tons :	1,000 : tons :	1,000 : tons :			
NORTH AMERICA															
Mexico.....	33 : 1,659 :	71 : 3,160 :	73 : 3,142 :	83 : 3,380 :	76 : 3,311 :	- : 2,433 :	12.2 : 614.7 :	32.8 : 1,021.1 :	36.7 : 1,019.2 :	36.8 : 1,091.4 :	38.6 : 1,169.2 :	- : 926.6 :			
United States.....	- : - :	118 : - :	75 : - :	86 : - :	67 : - :	40.4/ : - :	8.4 : - :	23.5 : - :	29.0 : - :	23.5 : - :	11.2 : - :	8.5 : - :			
Cuba.....	- : - :	44 : - :	29 : - :	43 : - :	42 : - :	62.4/ : - :	3.8 : - :	10.0 : - :	8.9 : - :	9.0 : - :	10.2 : - :	23.5 : - :			
Dominican Republic.....	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :			
Total 5/.....	1,800 : - :	3,410 : - :	3,340 : - :	3,610 : - :	3,520 : - :	2,650 : - :	640.0 : - :	1,092.0 : - :	1,099.0 : - :	1,167.0 : - :	1,235.0 : - :	1,004.0 : - :			
EUROPE															
Bulgaria 6/.....	5 : - :	3 : - :	4 : - :	4 : - :	- : - :	- : - :	2.2 : - :	5 : - :	1.3 : - :	1.3 : - :	- : - :	- : - :			
Italy.....	2 : - :	7 : - :	7 : - :	11 : - :	10 : - :	9.4/ : - :	1.6 : - :	4.9 : - :	4.4 : - :	7.9 : - :	7.2 : - :	6.9 : - :			
Spain.....	24 : - :	15 : - :	16 : - :	17 : - :	- : - :	- : - :	23.3 : - :	10.4 : - :	12.1 : - :	11.1 : - :	- : - :	- : - :			
Total (excl. U.S.S.R.) 5/.....	35 : - :	30 : - :	30 : - :	40 : - :	40 : - :	40 : - :	28.0 : - :	16.0 : - :	18.0 : - :	22.0 : - :	23.0 : - :	23.0 : - :			
U.S.S.R. (Europe and Asia).....	29 : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :			
ASIA															
Turkey.....	3 : - :	4 : - :	4 : - :	- : - :	6 : - :	6.4/ : - :	1.9 : - :	1.8 : - :	1.9 : - :	- : - :	3.9 : - :	3.9 : - :			
Burma.....	784 : - :	559 : - :	572 : - :	723 : - :	657 : - :	379 : - :	192.2 : - :	126.6 : - :	112.0 : - :	171.1 : - :	161.3 : - :	- : - :			
China 8/.....	3,639 : - :	3,214 : - :	3,944 : - :	3,913 : - :	3,881 : - :	3,958.4/ : - :	2,913.4 : - :	2,342.6 : - :	3,039.4 : - :	2,916.8 : - :	3,160.4 : - :	3,224.3 : - :			
Manchuria.....	- : - :	- : - :	- : - :	- : - :	- : - :	- : - :	4/9/121.6 : - :	- : - :	- : - :	- : - :	- : - :	- : - :			
French India.....	7 : - :	7 : - :	- : - :	- : - :	- : - :	- : - :	5.6 : - :	6.1 : - :	- : - :	- : - :	- : - :	- : - :			
French Indochina.....	42 : - :	- : - :	- : - :	- : - :	20 : - :	4/ : - :	16.0 : - :	- : - :	- : - :	- : - :	- : - :	- : - :			
India.....	7,535 : - :	10,273 : - :	10,267 : - :	10,079 : - :	9,078 : - :	9,900 : - :	3,295.7 : - :	3,881.9 : - :	4,018.6 : - :	3,820.3 : - :	3,441.8 : - :	3,680.0 : - :			
Japan.....	19 : - :	- : - :	- : - :	13 : - :	18 : - :	19 : - :	14.6 : - :	19.8 : - :	19.8 : - :	5.3 : - :	10.1 : - :	9.6 : - :			
Taiwan.....	77 : - :	61 : - :	126 : - :	161 : - :	181 : - :	- : - :	38.5 : - :	12.7 : - :	41.2 : - :	51.3 : - :	58.8 : - :	61.0 : - :			
Kwantung Leased Territory.....	101 : - :	- : - :	- : - :	- : - :	- : - :	- : - :	91.1 : - :	- : - :	- : - :	- : - :	- : - :	- : - :			
Indonesia 10/.....	572 : - :	221 : - :	326 : - :	464 : - :	- : - :	734 : - :	289.1 : - :	92.4 : - :	116.6 : - :	215.5 : - :	319.1 : - :	346.6 : - :			
Philippine Republic.....	18 : - :	- : - :	19 : - :	27 : - :	34 : - :	- : - :	4.7 : - :	- : - :	3.4 : - :	5.6 : - :	8.2 : - :	- : - :			
Thailand.....	- : - :	16 : - :	22 : - :	29 : - :	15 : - :	- : - :	- : - :	5.2 : - :	8.5 : - :	9.7 : - :	14.0 : - :	- : - :			
Total (excl. U.S.S.R.) 5/.....	13,200 : - :	14,800 : - :	15,600 : - :	15,730 : - :	14,670 : - :	15,530 : - :	7,021.0 : - :	6,673.0 : - :	7,533.0 : - :	7,372.0 : - :	7,348.0 : - :	7,609.0 : - :			

<b>SOUTH AMERICA</b>														
Argentina.....	4/	207:	351:	381:	294:	304:11/	469:	87.3:	174.4:	153.3:	117.8:	132.3:	110.0	
Brazil.....		-	100:	84:	-	-	-	14.8:	31.5:	34.5:	55.2:	153.2:	153.8	
Paraguay.....	4/	29:	14:	-	-	-	8:4/	19.4:	4.8:	5.0:	1.7:	1.7:	2.3	
Uruguay.....		5:	15:	15:	21:	34:	55:	1.2:	5.4:	4.8:	4.8:	10.6:	14.3	
Total 5/.....		400:	550:	550:	500:	750:	920:	129.9:	223.5:	205.0:	187.0:	304.0:	287.0	
<b>AFRICA</b>														
Anglo-Egyptian Sudan.....		43:	-	-	-	-	-	8.1:	1.7:	6.7:	8.6:	9.0:	-	
Belgian Congo.....	7/	245:	-	534:	546:	570:	-	65.1:	-	-	-	-	-	
Tanganyika.....	4/	277:	-	-	-	-	9/	23.4:	7.8:	4.7:	16.5:	9.1:	8.2	
Uganda.....	4/	156:	357:	336:	331:	347:	-	2.2:	-	-	-	174.7:	-	
Gambia.....		-	-	-	210:	210:	210:9/	58.1:	-	63.2:	78.4:	69.4:	80.0	
Egypt.....		23:	25:	25:	26:	24:	27:	17.2:	20.7:	16.9:	20.6:	19.9:	-	
French Equatorial Africa														
and Cameroun.....	4/	388:	-	-	-	-	-	58.8:	-	-	-	-	-	
French West Africa.....	4/	2,955:	-	-	-	-	-	875.9:	506.0:	559.4:	780.0:	760.0:	700.0	
Madagascar.....		14:	31:	30:	25:	-	35:	6.6:	8.8:	8.8:	8.0:	9.5:	7.8	
Mozambique.....		-	-	-	-	-	-	42.9:9/	33.3:9/	26.4:	36.4:	-	15.0	
Nigeria and Cameroons.....		-	2,500:	2,500:	2,500:	2,675:	-	354.7:	616.0:	616.0:	560.0:	616.0:	500.0	
Angola.....		18:	-	21:	21:	-	-	6.2:	8.4:	1.1:	1.7:	6.1:	-	
Portuguese Guinea 2/.....		-	-	-	-	-	-	28.0:	40.1:	-	42.8:	-	-	
Southern Rhodesia.....		6:	7:	13:	8:	8:	7:	1.6:	2.6:	4.4:	2.5:	2.4:	1.1	
Union of South Africa 13/.....		56:	-	90:	139:	329:	-	12.0:	4.8:	13.7:	31.2:	79.4:	67.2	
Total 5/.....		6,120:	6,200:	6,400:	7,050:	7,400:	7,400:	1,692.0:	1,576.5:	1,695.5:	1,981.0:	2,079.0:	1,849.0	
<b>OCEANIA</b>														
Australia.....	4/	14:	19:	25:	39:	35:	25:4/	6.1:	11.5:	14.9:	25.5:	17.8:	14.7	
Total 5/.....		15:	20:	30:	45:	40:	30:	6.5:	12.0:	15.5:	27.0:	18.5:	15.5	
World total.....		21,600:	25,100:	26,000:	27,100:	26,500:	26,620:	9,550.0:	9,607.0:	10,582.0:	10,774.0:	11,025.0:	10,800.0	

1/ Peanuts in the shell. Southern Hemisphere peanut crops, which are harvested from April to June, are combined with those of the Northern Hemisphere harvested from September through December of the same year. 2/ Figures refer to harvested areas as far as possible. 3/ Preliminary. 4/ Average of less than 5 years. 5/ Includes estimates for the above countries for which data are not available and for minor producing countries. 6/ Beginning with 1945, figures include Southern Dobrudja. 7/ One year only. 8/ Partly estimated prior to 1946. 9/ Export figures. 10/ Java and Madura only through 1947. 11/ Planted acreage. 12/ Exports from Kenya and Uganda. 13/ Production on European farms only.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States foreign service officers, results of office research, and other information.



The 1949 peanut crop in Indonesia has been revised upward to 346,600 tons, 9 percent more than the 1948 outturn of 319,000 tons. Crop conditions, however, were not altogether favorable in 1949 because of drought and the use of poor seed in some of the producing areas. Taiwan's (Formosa) harvest was reported at 61,000 tons against 58,800 tons in 1948 and 38,500 prewar.

South America's 1949 peanut production was down 6 percent from 1948. Argentina's crop has been reduced to 110,000 tons compared with 132,000 in 1948 and the 1935-39 average of 87,000. Plantings in 1949--469,000 acres--were believed the largest on record. The harvest was considered a failure, however, with very low yields following late plantings, early drought, and rains at harvest.

Official estimates indicate a record peanut crop of 153,800 tons in Brazil in 1949, a very slight increase over the 153,200 tons produced in 1948. Only about 15,000 tons were produced in Brazil in 1939.

Uruguay also harvested a record crop--14,300 tons against 10,600 in 1948 and only 1,200 prewar.

Unfavorable weather in the major peanut areas reduced Africa's output by 11 percent from 1948. The unexpected rainfall in November in Senegal, which accounts for about 75 percent of the crop, destroyed approximately 10 percent of the French West African output, lowering the 1949 production estimate to 700,000 tons. This represents a decrease of 8 percent from the previous year and 20 percent from the prewar average. Considerable difficulties have been encountered during the past year in transporting these supplies from the chief producing areas in the North to the coast. More transportation equipment arrived, however, and better methods of protecting the stocks, pending sale and transportation, are being applied.

An estimated 500,000 tons of peanuts were produced in Nigeria in 1949, compared with over 600,000 in 1948. All estimates of acreage and total production are but rough approximations because peanuts are grown on small, widely scattered plots rarely larger than 2.5 to 3 acres. The general belief is that no sizeable increase or decrease occurred in acreage planted in 1949 compared with the estimated 2,675,000 acres normally planted to peanuts. The exceedingly low yield is explained entirely by inadequate and untimely rains. It is now believed that only about 200,000 tons of shelled peanuts will be purchased for export whereas normally production for export is substantially above 300,000 tons. About 367,000 tons from the 1948 crop were purchased for export.

Considerable progress has been made in moving the backlog of nuts accumulated in the past few years. Over 421,000 tons were transported in 1949. As of April 1, 1950, a backlog of 200,000 tons awaited shipment. Railway officials believe that the entire surplus will have been moved by the opening of the new season in November 1950.



The Gambian peanut crop is estimated at 80,000 tons, an increase of 15 percent over 1948. By January 1950, over 63,000 tons had been purchased for export.

The peanut outturn in Mozambique in 1949 amounted to only 15,000 tons, the result of unusually heavy spring rains.

In 1949 British East Africa experienced its worst drought in 45 years. The regular peanut crop in Tanganyika amounted to 8,000 tons. The groundnut scheme, however, encountered further difficulties, and the 1949 crop was a complete failure. In both the Kongwa and Urambo districts climatic considerations have led to a downward revision of peanut plantings in favor of sunflowers, whereas in the Southern Province peanut acreage is expected by 1953 to be slightly in excess of that of sunflower.

Dry weather during the growing season reduced the 1949 peanut crop in the Union of South Africa to 67,200 tons compared with 79,400 in 1948.

### 1950 Prospects

It appears unlikely that 1950 peanut production will reach the record output of 1948 or greatly exceed 1949. India's acreage may increase some since domestic consumption is estimated to have shown a considerable increase. Peanut oil forms a basic raw material for the vanaspati (hydrogenated vegetable oil) factories, which have a capacity of approximately 250,000 tons but have been operating far below capacity. The decision of the Government that vanaspati is harmless for edible purposes (following a growing controversy on this subject) portends increased consumption of peanut oil in the future. The Government of India-sponsored Panel on Oils and Scaps Industries recommended (December 1948) increasing production to 6,000,000 tons within a period of 5 years.

China's peanut production is not expected to increase in 1950. Production in the African countries can be expected to continue fairly constant if normal weather prevails. No appreciable expansion is anticipated from the various peanut projects, since progress to date has been slow.

In the United States, the March 1 intentions indicated 2,150,000 acres to be utilized for picking and threshing this year. If this acreage is realized and the 1944-48 average yield for each state is attained, production would be about 200,000 tons less than in 1949. The acreage allotment for 1950 has been revised upward from 2,100,000 to 2,200,194 acres.

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This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report the committee was composed of Joseph A. Becker, Chairman, C. M. Purves, Paul E. Quintus, Regina H. Boyle, Helen Francis, Tilmer O. Engebretson, and Robert L. Gastineau.

## UPWARD TREND IN WORLD MILK PRODUCTION CONTINUES IN 1949

Milk production in practically every major producing country gained substantially during 1949 as feed supplies were much improved and prices were held at levels encouraging to dairymen according to information assembled by the Office of Foreign Agricultural Relations. Most of the increased supplies were utilized for butter and cheese, with only smaller increases in other uses.

European countries continued their recovery from wartime conditions. Particularly large increases occurred in the exporting countries. Milk production in Australia and New Zealand is up about 7 percent from last year. However, Australia is the only major dairy country reporting a smaller yield per cow in 1949 than during the previous year. Milk production in the United States increased considerably more than expected over 1948 while Canada produced about the same in 1949 as in 1948. All countries reported larger cow numbers during 1949 except the United States and Canada, but as yet the United Kingdom and the Netherlands are the only countries reporting cow numbers above prewar levels.

Roughage feeds were generally in sufficient supply in most countries and of better quality than in recent years and the moderate winter in many countries required less feed for cows than the past several years. Effects of the widely reported drought during the summer of 1949 were somewhat ameliorated by good fall pastures and the mild winter. Concentrate feed supplies still are limited in European countries as the domestic feed production is small and imports are regulated.

Milk prices are controlled in almost every country in some manner at levels favorable to milk production. In a few countries this situation has encouraged a larger output than consumers will buy at prevailing retail prices and surpluses at present price levels may confront additional countries. Prices to dairymen have weakened only slightly during 1949 and favorable cost-price relations exist in almost all countries.

Milk production in the United States during 1949 increased 3 percent over 1948 due to the all-time record yield per cow, as average cow numbers were the smallest reported since 1930. A small increase in numbers this year apparently ended a decline of about 5 years. The total output of milk was only about 2 percent short of the record established in 1945. Returns to farmers were 15 percent less than in 1948, however, due to a drop in prices received. The greatest increase in utilization was for butter and cheese, while smaller gains were made in fluid consumption. Somewhat less milk than in 1948 was used for the manufacture of other whole milk products.

Canadian milk production remained about the same in 1949 as a year earlier even though cow numbers declined about 2 percent as the yield per cow continued to gain. Output per cow in Canada is now about 12 percent above the prewar levels. A larger portion of the milk supply went into cheese and somewhat more was used in fluid milk. Smaller quantities were utilized particularly for butter and also the manufacture of whole milk products. Butter production and consumption have been influenced by the legalizing of margarine in most of Canada and larger butter stocks are



MILK: Production and utilization in specified countries, 1949 (preliminary) and 1948

Country	Production				Utilization 1/							
	Milk cows	2/	Production per cow	Milk	Fluid milk	Butter	Cheese	Canned milk	Other uses	4/	Feed	
	1,000 head		Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	
1949												
Canada.....	3,620:		4,638:	16,789:	5,748:	7,767:	1,326:	562:	545:		841	
United States.....	22,741:		5,239: 5/	121,962:	57,480:	33,835:	11,880:	6,830:	8,718:		3,219	
Austria.....	1,104:		3,695:	4,079:	1,800:	1,460:	192:	-	2:		625	
Belgium.....	900:		7,444:	6,700:	1,810:	3,870:	150:	9:	11:		850	
Denmark.....	1,537:		7,020:	10,789:	1,618:	7,706:	721:	172:	76:		496	
Netherlands.....	1,484:		7,823:	11,609:	3,612:	4,400:	2,400:	528:	228:		441	
Norway.....	799:		4,265:	3,408:	1,554:	974:	529:	-	75:		276	
Sweden.....	1,712:		6,155:	10,538:	3,576:	5,159:	849:	-	202:		752	
Switzerland 1/.....	839:		6,129:	5,214:	2,366:	735:	1,335:	-	28:		750	
United Kingdom.....	3,687:		5,809:	21,417:	17,129:	1,068:	826:	496:	398:		1,500	
Australia.....	2,340:		5,503: 8/	12,877:	2,508:	8,443:	1,018:	294:	614:		-	
New Zealand 2/.....	1,747:		5,724:	10,000:	869:	6,694:	2,000:	-	160:		277	
1948												
Canada.....	3,701:		4,520:	16,730:	5,619:	8,164:	1,057:	627:	515:		748	
United States.....	22,933:		5,038: 10/	118,353:	56,814:	30,134:	10,893:	8,203:	9,200:		3,109	
Austria.....	1,045:		3,278:	3,425:	1,555:	1,157:	111:	-	2:		600	
Belgium.....	850:		7,418:	6,305:	1,775:	3,663:	120:	8:	9:		730	
Denmark.....	1,472:		6,102:	8,982:	1,672:	5,981:	652:	119:	84:		474	
Netherlands.....	1,362:		7,256:	9,883:	3,427:	3,756:	1,832:	301:	86:		441	
Norway.....	768:		3,994:	3,067:	1,508:	860:	375:	-	60:		264	
Sweden.....	1,755:		5,585:	9,802:	3,552:	4,762:	593:	-	185:		710	
Switzerland 1/.....	809:		6,063:	5,038:	2,355:	616:	1,242:	-	75:		750	
United Kingdom.....	3,583:		5,634:	20,188:	16,109:	994:	619:	435:	566:		1,465	
Australia.....	2,267:		5,368: 8/	12,169:	2,495:	7,915:	931:	293:	535:		-	
New Zealand 9/.....	1,714:		5,404:	9,263:	848:	6,231:	1,792:	-	130:		262	

1/ Includes farm uses, 2/ Includes, for the United States and Canada, cows kept mainly for milk, and for all other countries, cows producing over and above the requirements of the calf. 3/ Includes milk used for cream. 4/ Includes milk used for ice cream, dried whole milk, minor products, waste and balance. 5/ Total production is shown. Production on farms, - 119,136 million pounds. 6/ Includes canned milk. 7/ Production and utilization include goats' milk. 8/ Excludes milk fed to calves. 9/ Year ending June 30. 10/ Total production is shown. Production on farms, - 115,527 million pounds.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, United States Foreign Service reports, and other information.

MILK: Production and utilization in specified countries, 1934-38

Country	Production			Utilization 1/					
	Milk cows 2/	Production per cow	Milk production	Fluid milk 3/	Butter	Cheese	Canned milk	Other uses 4/	Feed
	1,000 head	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Canada.....	3,816:	4,138:	15,789:	4,645:	8,197:	1,411:	273:	472:	791
United States.....	23,933:	4,291:5/	105,416:	43,559:	43,729:	6,449:	4,607:	4,333:	2,739
Austria 6/.....	1,210:	4,630:	5,602:	3,068:	1,212:	661:	-	-	661
Belgium.....	967:	7,022:	6,790:	1,433:	4,321:	163:	15:	42:	816
Denmark.....	1,658:	7,047:1/	11,684:	1,433:	9,314:	331:	-	55:	551
Finland.....	1,309:	4,268:	5,587:	2,556:	2,735:	205:	-	-	91
Germany.....	10,076:	5,270:1/	53,100:	16,100:	28,100:	2,400:	-	500:	6,000
Italy.....	3,466:	3,968:2/	13,750:	3,700:	2,700:	3,600:	24:	626:	3,100
Netherlands.....	1,460:	7,658:	11,180:	2,321:	5,536:	2,291:	-	520:	512
Norway.....	807:	3,660:1/	2,954:	1,124:	1,111:	489:	-	53:	177
Sweden.....	1,322:	5,327:1/	10,238:	3,283:	5,170:	782:	-	44:	959
Switzerland 10/.....	902:	6,297:1/	6,041:	2,125:	1,497:	1,303:	-	49:	1,067
United Kingdom.....	3,300:	5,583:	18,424:	11,100:	2,800:	1,008:	647:	686:	2,183
Australia 11/.....	2,545:	4,629:12/	11,780:	1,612:	9,466:	444:13/	258:	-	-
New Zealand.....	1,807:	5,232:14/	9,454:	532:	6,922:	1,754:	-	57:	189

<sup>1/</sup> Includes farm uses. <sup>2/</sup> Includes, for the United States and Canada, cows kept mainly for milk, and for all other countries, cows producing over and above the requirements of the calf. <sup>3/</sup> Includes milk used for ice cream. <sup>4/</sup> Includes milk used for ice cream, dried whole milk, minor products, waste and balance. <sup>5/</sup> Total production is shown. Milk production on farms, 102,590 million pounds. <sup>6/</sup> For the year 1934. <sup>7/</sup> For the years 1933-1937. <sup>8/</sup> Includes canned milk. <sup>9/</sup> For the year 1938. <sup>10/</sup> Production and utilization include goats' milk. <sup>11/</sup> For the years ending June 30. <sup>12/</sup> Excludes milk fed to calves. <sup>13/</sup> Includes dried whole milk. <sup>14/</sup> Utilization of butterfat converted to milk equivalent on the basis of 4.5 percent fat content.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, United States Foreign Service reports, and other information.



accumulating. Continuance of this condition into 1950 prompted the Government to announce recently a drop in the support price from 58 to 53 cents per pound for butter and to begin requisitioning cheese for the United Kingdom contract stipulating a maximum of 85 million pounds of cheese.

Total Cuban milk production in 1949 is the highest since the immediate prewar years and is estimated at about 1.2 billion pounds as compared with 1.1 billion pounds in 1948 and 1947. Such production from an estimated 860,000 cows seems relatively low, but this number includes 600,000 dual-purpose animals which are milked only as long as they produce about 2 or more quarts daily over the amount taken by the calves. Improved feeding and breeding practices on the more specialized dairy farms of western Cuba, however, are reportedly increasing the average production per cow. Milk production in 1949 was favored by price-cost relations relatively more favorable to milk than to beef production.

European countries exporting dairy products continued to make the most substantial gains in production during 1949.

The gain of 20 percent in Danish milk production during 1949 over the previous year went mainly into butter and smaller quantities into cheese, both of which were important export products. Likewise Dutch milk production increased 17 percent during the year and is about 4 percent above prewar. The quantities of milk made into cheese and butter were 31 and 16 percent respectively above 1948, as smaller increases were made in quantities of fluid milk. Per capita consumption of fluid milk, cream and cheese was above 1948, but butter decreased, due to the relative availability of margarine. Slight price increases were granted during the year as a result of wage increases. The outlook in the Netherlands is for further increases in cow numbers and milk production for domestic markets and exports in 1950.

The Swiss have continued to divert a substantial portion of their milk for factory purposes into the production of cheese to provide a large quantity for export. The amounts of milk allowed for butter permit much smaller production than necessary for domestic needs and sizeable imports of butter from Denmark and the Netherlands are necessary. The quantity of milk for fluid purposes has been maintained about the same as in 1948. Per capita consumption during 1949 was higher for butter, about the same for fluid milk and decreases for cheese as compared with 1948. Competition for export markets will be more difficult for Switzerland now that they have to bid against countries which have devaluated their currency.

Italian milk production increased during 1949 and is estimated at about prewar level. There is no definite information on utilization of milk during the year, but they have encouraged milk for fluid purposes and for cheese. Italian cheese exports were approximately only one-half of prewar in 1949 and exporters are finding many hazards in an attempt to re-enter former European and United States markets with heretofore specialized types of cheese.

The reasons appear to be three-fold: (1) continued quantitative restrictions by the traditional European markets; (2) wartime inroads into the United States markets by domestic and Argentine products; and (3)

relatively high prices of the Italian cheeses. The recent removal of minimum export prices, a decline in milk prices in 1949, and special efforts to improve quality will do much to offset some of these disadvantages. The per capita consumption of milk and dairy products in Italy still is somewhat below prewar due to limited facilities and an increase in population. The outlook is for a continuance of a larger output of milk which will provide more dairy products for domestic consumption and export in spite of lower prices.

The French milk production is now estimated at about prewar as it increased by about 17 percent during 1949 which was sufficient to end rationing by April 16, 1949, though ceiling prices have been maintained for fluid milk and butter. Cheese of mediocre quality is in large supply, but high quality products are still in strong demand. The relatively high prices which were calculated to encourage milk production have also had a limiting effect upon consumption and it is felt that some decrease in retail prices will be necessary soon to stimulate domestic purchases. France was a net exporter of cheese and sweetened condensed milk and a net importer of butter and unsweetened evaporated milk in 1949. The French Government has initiated a loan program to provide modern pasteurizing equipment and to improve the quality of the product. In 1950 production is expected to increase and imports to be smaller, during which time the Government plans to operate a storage stabilization program along with current subsidy operations to stabilize the industry.

Non-exporting countries have progressed considerably in supplying domestic needs.

The supply of dairy products in the United Kingdom during 1949 increased considerably over 1948 as domestic milk production increased nearly 6 percent and larger quantities of both butter and cheese were imported. The greatest portion of the increase in milk produced is still utilized for fluid milk, but consumers are taking additional quantities much slower and most of the increases are now apt to be utilized for factory purposes. Restrictions on the purchase of fluid milk were relaxed during the flush season of 1949 and larger quantities were designated for the manufacture of butter and cheese. Fluid milk regulations have again been relaxed in 1950 and milk has been more generously designated for factory uses than in 1949. In fact there has been considerable discussion as to whether or not the smaller wartime facilities will be able to handle the milk during the flush season this year.

Milk output in Norway is now established at a level 16 percent above prewar. Considerable effort has been expended in dairying as farmers receive about 40 percent of their receipts from this enterprise.



A larger portion of the production is delivered to creameries than before, which makes the quantity available to non-suppliers even greater. Fluid milk, that utilized almost one-half of the total production, increased only 3 percent during 1949 which left a fairly large percentage increase for factory outlets. Farming practices that include expanded herd improvement work, increased mechanization, use of fertilizers and larger supplies of good roughage have tended to offset the shortage of imports of feed concentrates upon production.

Milk production increased approximately 6 percent in Belgium in 1949 over a year earlier due to more cows, but the dairymen are finding it difficult to meet Dutch competition. The Belgian Government will discontinue import fees on cheese and in turn will grant subsidies to producers of cheese, condensed and powdered milk.

Dairying in Austria made remarkable progress as a result of much improved indigenous roughage crops, good pastures, imports of feed concentrates under ECA and continued encouraging prices. More consumers received milk other than skim milk during the year than in any of the past ten years. A larger portion of the production was marketed through legal channels than in recent years and black market activities have dwindled. There have been only minor reductions in controls, but rationing is more liberal.

Production of milk in Finland increased 17 percent during 1949 over 1948, but is still only 80 percent of prewar. Cow numbers gained by 3 percent and output per cow made extraordinary advancement. Supplies for per capita consumption of fluid milk, butter and cheese were quite comparable to prewar, but there is practically none for export. In 1938 Finland exported about 52 percent of its total butter output and 62 percent of its cheese production.

Irish production of milk was larger in 1949 than in the previous year and deliveries to creameries made more than comparable gains, due to a curtailment of home butter production. Domestic consumption requirements are generally adequately met by subsidized and rationed supplies, and exports are not large.

Milk production in Australia and New Zealand increased during 1949 over the previous years by about 6 and 8 percent respectively, which is a record output for New Zealand and was second in Australia only to the output during 1939-40. Cow numbers increased in both countries over 1948, but the yield per cow was higher than in previous years only in New Zealand. Both countries, however, now have the same relation to prewar in yield per cow although they have fewer cows than during the prewar years. Most of the increased Australian production was utilized in butter though this constituted only about 66 percent of the milk produced which is a smaller percentage of the output than in prewar years when about three-fourths of the milk was used to make butter.

The manufacture of cheese and preserved whole milk products was at a record level and facilities for the latter are still being expanded. Consumption of fluid milk was estimated at 327 pounds per capita annually by Australians which is 35 percent above prewar. Larger quantities of cheese also were consumed, but as fresh cream is not regularly sold and butter is rationed at 6 ounces per week, the per capita consumption has been reduced. The prospects are for future increases in Australian milk production due to expanded extension activities by the Government, guaranteed prices to dairymen until 1953 and a large market through the United Kingdom contract.

Milk production in New Zealand also was at a record level with most of the increase going into butter and substantial quantities diverted to cheese. Like their neighbors, New Zealanders are consuming larger quantities of milk and dairy products except butter, which is rationed at 8 ounces per week to provide as much as possible for export.

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This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report, the Committee was composed of Joseph A. Becker, Chairman, Floyd E. Davis, Charles C. Wilson, Karen J. Friedmann, Lois B. Bacon and George H. Day.

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## COMMODITY DEVELOPMENTS

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### FATS AND OILS

#### PHILIPPINE COPRA EXPORTS DROP IN APRIL

Copra exports from the Philippine Republic during April 1950, reported at 34,939 long tons, show a reduction of nearly 20 percent from the shipments during April 1949 and also from the previous month's total of 43,185 tons. January-April exports of 145,870 tons nearly approximate the 146,988 figure for the comparable period of 1949. The United States continues to be the chief importer of Philippine copra.

Exports of coconut oil of 5,502 tons represent an increase of 45 percent over the 3,789 tons shipped in March and bring the 4-month total to 15,588 compared with 12,894 during January-April 1949.



PHILIPPINE REPUBLIC: Copra exports, April 1950 with comparisons  
(Long tons)

Country of destination	Average 1935-39	1949 1/	Jan.-April 1950 1/	April 1949 1/	April 1950 1/
United States (total)...	206,801	375,071	105,105	16,630	23,146
Atlantic Coast.....	-	39,023	13,184	2,980	3,082
Gulf Coast.....	-	43,098	18,100	-	648
Pacific Coast.....	-	292,950	73,821	13,650	19,416
Canada.....	-	13,900	7,250	800	1,500
Mexico.....	7,260	-	-	-	-
Panama Canal Zone.....	-	775	-	-	-
Panama, Republic of....	-	209	-	-	-
Colombia.....	-	4,000	1,850	-	-
Venezuela.....	-	1,133	3,800	-	2,300
Belgium.....	10	7,650	9,779	1,250	3,000
Denmark.....	6,025	16,085	-	-	-
France.....	24,589	23,757	-	4,350	-
Western Germany.....	7,309	28,510	393	8,000	-
Italy.....	4,079	17,830	3,300	1,512	-
Netherlands.....	28,415	10,850	4,500	2,000	500
Norway.....	91	8,000	4,500	2,100	1,500
Poland.....	-	1,500	-	-	-
Sweden.....	4,183	7,600	-	-	-
Switzerland.....	-	1,100	-	-	-
Japan.....	1,047	6,075	500	6,075	-
Israel and Palestine...	-	4,974	2,000	-	1,000
Syria.....	-	1,800	500	-	-
Egypt.....	1,271	-	-	-	-
Union of South Africa..	-	2,198	300	-	-
Others.....	8,758	23,596	2,093	-	1,993
Total.....	299,838	556,313	145,870	42,717	34,939

1/ Preliminary.

American Embassy, Manila.

PHILIPPINE REPUBLIC: Coconut oil exports, April 1950 with comparisons  
(Long tons)

Country of destination	Average 1935-39	1949 1/	Jan.-April 1950 1/	April 1949 1/	April 1950 1/
United States.....	155,358	51,864	14,647	579	5,128
Venezuela.....	-	-	200	-	-
Canada.....	1,885	-	-	-	-
Norway.....	-	500	-	-	-
Western Germany.....	660	3,830	-	2,540	-
Italy.....	-	4,249	-	144	-
Netherlands.....	-	1,409	-	574	-
China.....	392	73	-	-	-
Hong Kong.....	583	-	-	-	-
Poland.....	-	260	-	-	-
Thailand.....	54	-	-	-	-
Union of South Africa..	-	1,390	503	-	174
Others.....	2,815	572	238	14	200
Total.....	161,747	64,147	15,588	3,951	5,502

1/ Preliminary.

American Embassy, Manila

Total shipments of copra and coconut oil in terms of copra during April amounted to 43,672 tons.

The copra export price on May 16 was quoted at \$180 per short ton c.i.f. Pacific Coast. Local buying prices during April were reduced to 35-36.50 pesos per 100 kilograms (\$177.81-\$185.43 per long ton) at Manila and in the producing regions, compared with 39-40 pesos (\$198.13-\$203.20) at Manila and 37-39 (\$187.97-\$198.13) in producing regions during March.

#### INDONESIA COPRA EXPORTS SMALLER IN APRIL

Exports of copra from Indonesia during April 1950 amounted to 14,801 long tons. This represents a decrease of 10 percent from the 16,541 tons exported in March and a decrease of 46 percent from the April 1949 exports. Shipments during the period January-April 1950 were 38 percent less than those of the comparable period of last year.

#### INDONESIA: Copra exports, April 1950 with comparisons (Long tons)

Country	Average 1935-39	Copra distribution			
		1949 1/	Jan.-April: 1950 1/	April	
				1949 1/	1950 1/
Canada.....	-	3,651	-	1,251	-
Mexico.....	12,614	-	-	-	-
United States.....	3,909	13,101	-	6,001	-
Belgium.....	8,053	4,000	-	-	-
Czechoslovakia.....	4,896	2,399	-	-	-
Denmark.....	72,375	5,000	-	-	-
France.....	12,748	-	-	-	-
Western Germany.....	64,674	12,842	18,628	-	3,628
Italy.....	23,103	-	-	-	-
Netherlands.....	133,841	179,872	46,725	10,464	11,173
Norway.....	31,810	3,000	-	-	-
Poland.....	1,422	1,500	-	500	-
Sweden.....	6,886	10,499	-	-	-
Switzerland.....	17	1,500	2,000	-	-
United Kingdom.....	412	40,922	-	4,199	-
Japan.....	6,180	7,000	-	4,000	-
Singapore.....	107,285	15,627	-	-	-
Union of South Africa..	-	2,500	-	1,250	-
Others.....	17,160	-	-	-	-
Total.....	507,385	2/ 303,413	67,353	27,665	14,801

1/ Preliminary. 2/ As of June, total includes shipments to Singapore.

Copra Board, Jakarta.

The total exports during April were sent to Europe, with 11,173 tons to the Netherlands and 3,628 to Western Germany. These two countries continue to be the principal buyers of Indonesia's copra in 1950.

Copra production of 52,866 tons was higher than in any previous month of 1950. January-April output totaled 142,200 tons against 132,800 in 1949.

April deliveries to domestic oil factories amounted to 10,980 tons. Exports for May are forecast at 44,300 tons and probable exports during June and July are set at 20,000 tons each month.

Copra buying prices remain unchanged at 113 gulden per 100 kilograms for sundried (\$151.87 per long ton), 108 for mixed (\$145.12), and 96 for inferior grades (\$129.02). These prices are guaranteed through June 30.

#### CANADA EXPECTS INCREASE IN 1950 FLAXSEED ACREAGE

Canada's official announcement of farmers' intentions to plant flaxseed indicates an increase over last year's harvested acreage. The 1950 total for Canada is 497,000 acres, of which 482,000 acres or 97 percent will be in the Prairie Provinces. In 1949, 321,000 acres were harvested. Based on the long-time (1908-1948) average yield of 8 bushels per acre, the 1950 flaxseed harvest should be about 4,000,000 bushels compared with 2,262,000 last season and 17,683,000 in 1948.

The following flaxseed varieties have been recommended for planting in the Prairie Provinces: In Manitoba--Dakota, Redwing, Rocket, and Sheyenne; in Saskatchewan--Dakota, Redwing, Rocket, and Royal; and in Alberta--Royal, Dakota, and Redwing.

#### INDIA HARVESTS LARGE CASTOR BEAN CROP

India's 1949-50 castor bean crop is 132,160 short tons from 1,391,000 acres, according to the final estimate submitted by the American Embassy, New Delhi. Last season's final estimate (revised) is 120,960 tons from 1,383,000 acres. Although the total area planted to castor beans is only slightly larger than in 1948-49, there is an increase of 11 percent in Hyderabad where about half of the crop is produced.

Castor bean exports from India have declined sharply in the past few years, dropping to a low of 392 tons in 1948. Last year's shipments, however, increased to 1,568 tons after devaluation of the rupee, which placed Indian castor beans in a competitive position with Brazilian beans.

Castor oil exports reached an all-time high of 19,429 tons in 1948. Export data for 1949 are not yet available.



## CHILE APPROACHES SELF-SUFFICIENCY IN OILSEED PRODUCTION

Chile is rapidly becoming self-sufficient in the production of oilseeds for the manufacture of edible vegetable oils, according to the American Embassy, Santiago. Sunflower seed is the chief raw material used, and provided prices remain above competitive cash crops, Chile soon should be able fully to satisfy its domestic requirements. Imports of oilseeds in the past few years have decreased greatly and the number of local processing factories has increased to at least 10. The most modern extraction equipment is reported to be used in the largest of these factories and the quality of the oil produced is entirely satisfactory. However, the quantity of edible oil usually available from domestic sources and imports has not been sufficient to keep consumers regularly supplied and still leave a balance for emergencies.

In the future it is believed that both hempseed and rapeseed may largely disappear from the market. Hemp is grown principally for fiber and eventually good fiber practice may demand that hemp be sown and harvested solely to produce quality fiber. Rapeseed is not a cultivated crop in Chile but grows wild in the wheat fields. With better wheat prices and the introduction of selective weed killers, it is conceivable that rape may be eliminated entirely from wheat sowings. Then unless it is found profitable to plant rape as a cash crop, it too will have to be replaced by sunflowers.

The 1949-50 sunflower seed crop is estimated at about 65,900 short tons from 108,500 acres, the largest crop in Chilean history, and almost 19 percent larger than the 55,490-ton harvest of 1948-49. The steadily increasing area sown to sunflower seed for edible oil has been due to the Government's policy of guaranteeing high prices for its production. Farmers are sowing sunflower seed with the following incentives: most of them (approximately 90 percent) sow sunflower seed under contract; the seed is advanced and about 30 percent of the value of their estimated crop is advanced either through local banks, the Agricultural Credit Bank, or by the large processing companies; and they are also loaned the necessary bags for shipping at the time of harvest. None of these inducements is offered to growers of other types of oilseeds.

The price established for the 1949-50 sunflower seed crop was 550 paper pesos per 100 kilograms (\$82.83 per short ton) delivered port. When the railways were authorized to raise freight rates, the price was increased by 16.67 paper pesos (\$2.51 per short ton) delivered at port, the basic price of 550 pesos remaining for seed at trackside. As yet no price has been announced for the 1950-51 crop. Though it is reported that processors would like to obtain authorization to increase the price paid to farmers, it is doubtful if the Government, currently pledged to prevent any further increase in living costs, will allow an increase. Some processors believe that the rapid progress toward self-sufficiency in vegetable oils is temporarily threatened by the potential competition of wheat, corn, rice and lentils.



Although about 123,600 acres of sunflower seed are generally stated to be the Government's goal, it is believed that a larger area would have to be sown if the country is really to become self-sufficient. The oil factories consider that Chile needs a minimum of 100,000 tons of oilseeds to meet oil requirements. This would require about 175,000 acres.

There is always a ready sale for sunflower seed and no stocks can be said to remain at any time. The oil is sold as soon as processed. It sells for 34 paper pesos per liter (28 cents per pound).

Exports of sunflower seed are prohibited. During 1949 Chile imported 9,860 tons of semi-refined sunflower oil from Argentina.

Some 22,500 tons of edible vegetable oils were produced in Chile in 1949 and by far the greater part was from sunflower seed.

Hempseed production amounted to 3,300 tons from 7,800 acres in 1949-50 or 30 percent less than the 4,760 tons from 11,430 acres the previous year. This was the smallest crop since before the war, a fact attributed by oil factories to the lack of interest in increasing hemp fiber production.

The average price of 740 paper pesos per 100 kilograms (\$111.44 per short ton) was paid against close to an average of 800 pesos (\$120.48) in 1948. The price at the end of April was 900 pesos (\$135.53).

Exports of hempseed were prohibited during 1949, but authorization has been granted for the exportation of 55 tons from the 1949-50 crop. No seed or oil was imported during 1949.

There are no official figures for rapeseed. Production is estimated at 4,000-4,400 tons. Rapeseed oil is successfully blended with sunflower seed oil for table use. The seed sells for the same price as hempseed.

About 80 tons of rapeseed oil are produced annually. Since the oil is somewhat acid, it is blended with other oils for edible purposes.

A small quantity of rice oil--about 33 tons per month--is processed from rice bran. About 20 percent of sunflower seed oil is mixed with it to make it palatable.

Chile produced about 590 tons of olive oil in 1949 from olives produced from roughly 255,000 trees. It is believed that there are about 950,000 olive trees in Chile but that only about 25 percent are now in production.

No olive oil was exported in 1949 but producers have been authorized to export 165 tons during 1950. A small quantity was imported--mostly from Italy. Since production during 1949 was in excess of possible consumption, the price did not vary much in 1949, averaging around 73 paper pesos per liter (61 cents per pound) unbottled and 80 to 100 pesos (67 to 84 cents) bottled.

The only seed reportedly grown for the production of inedible oil is flaxseed. The 1949-50 crop amounted to 147,400 bushels from 12,900 acres, a decrease of 39 percent from the 1948-49 crop of 241,200 bushels from 18,700 acres.

The exportation of both flaxseed and linseed oil is currently prohibited. Imports of linseed oil and the so-called stand oil having a linseed base amounted to 75 tons in 1949. The greater portion of these imports originated in the United States.

At present Chile produces its entire requirements of linseed oil. Smaller acreages, however, are constantly diminishing supplies of flaxseed. Should insufficient seed be harvested at any time, imports probably would be in the form of seed, rather than oil, since local factories are equipped to produce all the oil that is needed. Oil production in 1949 is estimated to have been 2,200 tons whereas this year's output probably will not surpass 1,300 tons.

The price of flaxseed at present averages from 850 to 1,000 paper pesos per 100 kilograms (\$3.58 to \$4.22 per bushel) Vina del Mar basis. Because of the currently good price for flaxseed, it is generally hoped that farmers will increase their acreages for the 1950-51 crop and obviate both a shortage and a need to import.

#### FRENCH MOROCCO'S OLIVE OIL OUTPUT WELL ABOVE LAST YEAR

French Morocco's edible olive oil production for the 1949-50 crop year amounted to approximately 11,000 short tons, according to the American Consulate, Rabat. Thus this year's output, while considerably less than the 20,000 tons produced in 1947-48 - the best postwar crop year - was well over the 7,500 tons of 1948-49.

No exportable surplus is anticipated since the bulk of the output is expected to be consumed locally. Annual domestic edible oil consumption averages about 35,000 tons, including approximately 10,000 tons of olive oil.

Only 1,063 tons of edible olive oil were exported from Morocco in 1949 compared with 6,411 tons in 1948. Of the 1949 total, 783 tons were sent to the United States.

The marketing season was characterized by the high price of olive oil. Unrefined oil of normal quality (3 to 5 degrees acidity) fluctuated between 140 and 175 francs per kilogram (18-23 cents per pound) during the season and finally became roughly stabilized at 165 to 170 francs (21-22 cents) at season's end, with a tendency to drop. Continuing depressed export prices discouraged any diversion of olive oil from the local market into export channels.



COTTON AND OTHER FIBER**COTTON-PRICE QUOTATIONS  
ON WORLD MARKETS**

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

**COTTON:** Spot prices in certain foreign markets, and the  
U.S. gulf-port average

Market location, kind, and quality	Date 1950	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
<u>Alexandria</u>		: Kantar	:	:	:
Ashmouni, Good.....	5-18	: 99.05 lbs.	: Tallari	: 1/ 139.25	: 80.72
Ashmouni, F.G.F.....	"	: "	: "	: 1/ (not quoted)	:
Karnak, Good.....	"	: "	: "	: 1/ 78.15	: 45.30
Karnak, F.G.F.....	"	: "	: "	: 1/ 72.65	: 42.11
<u>Bombay</u>		: Candy	:	:	:
Jarila, Fine.....	"	: 784 lbs.	: Rupee	: 2/ 620.00	: 16.50
Broach Vijay, Fine.....	"	: "	: "	: 2/ 690.00	: 18.37
<u>Karachi</u>		: Maund	:	:	:
4F Punjab, S.G., Fine....	5-17	: 82.28 lbs.	: "	: 74.00	: 27.13
289F Sind, S.G., Fine....	"	: "	: "	: 75.00	: 27.50
289F Punjab, S.G., Fine...	"	: "	: "	: 72.50	: 23.78
<u>Buenos Aires</u>		: Metric ton	:	:	:
Type B.....	5-16	: 2204.6 lbs.	: Peso	: 4300.00	: 40.36
<u>Lima</u>		: Sp. quintal	:	:	:
Tanguis, Type 5.....	5-17	: 101.4 lbs.	: Sol	: 2/ 380.00	: 25.22
Pima, Type 1.....	"	: "	:	: (not quoted)	:
<u>Recife</u>		: Arroba	:	:	:
Mata, Type 4.....	"	: 33.07 lbs.	: Cruzeiro	: 190.00	: 31.26
Sertao, Type 5.....	"	: "	: "	: (not available)	:
Sertao, Type 4.....	"	: "	: "	: 225.00	: 37.02
<u>Sao Paulo</u>		:	:	:	:
Sao Paulo, Type 5.....	"	: "	: "	: 186.00	: 30.60
<u>Torreon</u>		: Sp. quintal	:	:	:
Middling, 15/16".....	5-18	: 101.4 lbs.	: Peso	: 240.00	: 27.37
<u>Houston-Galveston-New</u>		:	:	:	:
Orleans av. Mid. 15/16"...	"	: Pound	: Cent	: XXXXX	: 32.58

Quotations of foreign markets reported by cable from U. S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Prices omitted from last week's table: Alexandria, May 11, 1950, in tallaris per kantar with U.S. cents per pound in parentheses, Ashmouni, Good, 134.50 (77.97); Ashmouni, F.G.F., not quoted; Karnak, Good, 79.40 (46.03); Karnak, F.G.F., 73.90 (42.84).

2/ Nominal.

## OUTLOOK FOR COTTON INDUSTRY IN SWITZERLAND IMPROVES

The outlook for Swiss cotton consumption has improved with the revival of world trade. Reports from that country indicate that the slight pessimism of the cotton industry prevalent 6 months ago has now given way to cautious optimism, coupled with a hope that world trade will become liberalized in the not too distant future.

Trade estimates of cotton consumption during the 1949-50 season now range between 120,000 to 125,000 bales (500 pounds gross weight). This compares with 132,000 bales consumed in 1948-49 and 139,000 bales in 1947-48. Consumption during the first 6 months (August through January 1950) of the current season was reported at 61,000 bales. The level of consumption for the remainder of the season will depend on Switzerland's exports of cotton textiles, and particularly on shipments to Germany under the new trade agreement which became effective September 1, 1949.

In the prewar period Switzerland exported a major share of its output of fine yarns and textiles, and imported other types of textiles not produced in Switzerland. In the past 2 years, however, imports have been declining and in 1949 were far less than prewar. Exports, while increasing, are still only two-thirds of prewar, and net exports (exports less imports) are still under the prewar average.

Switzerland has found it difficult to increase exports of cotton textiles as the fine and fancy yarn and piece goods, making up the major share of the exports, have been classed as non-essential by many soft-currency countries and imports have been restricted.

The decline in imports of the coarser-type goods and the decline in exports of fine goods over prewar levels has caused a shift in the demand toward shorter staple cottons.

Imports of Egyptian cotton have been fluctuating between one-third to one-half of prewar levels. Swiss imports of United States cotton, on the other hand, have increased from 5,000 to 10,000 bales in 1946 to 1948 to 45,000 bales in the 1948-49 season and 47,000 bales in the first 7 months of the current season. Imports of cotton from Mexico have also increased from 4,260 bales in the 1948-49 season to 18,000 bales in the first 7 months of the current season. Mexico thus replaces Brazil and Peru as third most important supplier of the Swiss market. In the past few years Peruvian cotton has to certain extent replaced Egyptian cotton, and some long-staple United States cotton is being used in work for which Egyptian cotton was formerly used.

Switzerland and Egypt have negotiated a new trade agreement, effective April 1, 1950, which will remain in force one year. The Egyptian Government is to sell some of its stocks of Karnak cotton to Swiss importers to be paid for entirely in Swiss francs at the official rate of exchange.



GRAINS, GRAIN PRODUCTS AND FEEDSCANADIAN GROWERS PLAN INCREASED  
COARSE GRAIN ACREAGE

Canada's total acreage seeded to wheat, oats, barley, and rye will be virtually the same as the 1949 acreage, if farmers' reported intentions to plant are carried out. Some changes are noted for individual grains within that total, however, according to farmers' intentions as of April 30. The largest acreage change is indicated for barley, with an increase of 900,000 acres in prospect. A planned increase of about 650,000 acres of oats is the next largest change. Wheat acreage would be reduced only 340,000 acres under farmers' plans to seed 27.2 million acres, whereas the Minister of Agriculture had advocated reducing the wheat acreage to 23-24 million acres. Land in summer-fallow will be reduced by about 850,000 acres, according to farmers' intentions.

It is pointed out that intended acreages are merely indicative of farmers' plans at the end of April, and acreage actually seeded will depend on conditions affecting seeding subsequent to that date. Unseasonably low temperatures and late spring over much of Canada may cause farmers to alter their original seeding plans, should these conditions prevail too far into the season. Surface moisture is generally adequate for germination in Alberta and Saskatchewan, but good rains are needed to build up subsoil reserves, which are mostly below normal. Excessive moisture in Manitoba has delayed seeding, with an area of possibly a half million acres in the Red River Valley badly flooded.

Wheat acreage intended for all Canada is reported at 27.2 million acres, a reduction of about 1 percent from the near-record 1949 acreage. That high level contrasts with the 1942-46 average of 21.9 million acres and the 1940-49 average of 23.6 million. Winter wheat acreage was reduced 11 percent by winterkill, but the acreage remaining for harvest is still the largest since 1922, and is 7 percent larger than the 1949 acreage harvested. This figure, as usual, represents only winter wheat acreage for Ontario. The amount grown in other Provinces is not reported separately but included with spring wheat. The total acreage, outside Ontario is believed to be less than 200,000 acres, most of it in Alberta but some also in Saskatchewan. The condition of winter wheat at the end of April was 90 percent of the long-time average yield per acre, compared with 100 percent a year ago.

Of a total of 26.3 million acres intended for spring wheat, the Prairie Provinces account for 26.1 million. That would be a reduction of about 400,000 acres from the 1949 acreage there. Indicated reductions of 317,000 acres in Manitoba and 228,000 acres in Alberta would be partly offset by an intended increase of 157,000 acres in Saskatchewan.

For the country as a whole farmers intend to seed about 12 million acres to oats compared with 11.4 million acres in 1949. Increases are indicated for all Provinces, with Alberta and Saskatchewan accounting for the major portion. Total acreage would be 14 percent below the 1942-46 average of 14 million acres and 6 percent less than the average for the past 10 years.

The intended barley acreage is reported at 6.9 million acres, compared with 6 million in 1949 and 6.6 million, the average of the 10 years ended 1949. Some increase over 1949 is expected for most Provinces but 99 percent of the gain would be in the Prairie Provinces, according to plans.

Rye acreage will be virtually unchanged, with increased spring acreage about balancing the decline in winter rye remaining for harvest. The acreage for harvest, after an 11 percent winterkill, is 832,000 acres and intended spring seedings are placed at 346,000 acres. Condition of the fall grain is much better than at this time a year ago.

Land in summerfallow is expected to total 20.1 million acres compared with about 21 million in 1949. The decline is reported as follows, in 1,000 acres: Saskatchewan - 508, Alberta - 367 and Manitoba + 22. This brings land summerfallowed back to the level of the 1940-49 average.

CANADA: Intended acreage of grain and summerfallow,  
as of April 30, 1950, with comparisons

Crop	Acreage						1950 intentions as percent of 1949
	Average	1947	1948	1949	Intentions	1950	
	1942-46				1950		
	1,000	1,000	1,000	1,000	1,000		
	acres	acres	acres	acres	acres		Percent
Wheat:							
Fall 1/.....	649	712	859	805	860		107
Spring.....	21,268	23,548	23,247	26,736	26,342		99
Total.....	21,917	24,260	24,106	27,541	27,202		99
Oats.....	13,995	11,048	11,200	11,389	12,042		106
Barley.....	7,253	7,465	6,495	6,017	6,918		115
Rye:							
Fall 1/.....	518	841	1,606	873	832		95
Spring.....	235	315	497	309	346		112
Total.....	753	1,156	2,103	1,182	1,178		100
Summerfallow...	20,136	19,440	19,991	20,958	20,105		96

1/ Fall-sown acreage remaining for harvest.

Source: Dominion Bureau of Statistics.

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LIVESTOCK AND ANIMAL PRODUCTSCANADIAN EGG OUTLOOK IMPROVED  
BY GREATER DOMESTIC DEMAND

Consumption of eggs in Canada so far this year is well above the same period in 1949 as prices to consumers have dropped while red meat prices have strengthened. Egg prices, following a precipitous drop at the turn of the year, have become stabilized at slightly above the level assured by the Canadian Government's out-of-storage support program. With the market now firm it is not expected that a burdensome supply of eggs will be tendered to the Government at the termination of the storage period.

Canadian farm egg production during the first quarter of 1950 is estimated at 85,565 thousand dozen, an increase of 3.4 percent above the comparable period in 1949. Poultry meat production is also high compared with the previous year. In March there were about 25.8 million layers on farms, about 2 percent more than the comparable number in 1949.

The current chick hatch is approximately 14 percent below that of a year ago. This level is expected to be maintained during the remainder of the hatching season.

Both egg and poultry exports during the first quarter of 1950 are well below 1949 levels. This is a result of the lack of a 1950 British contract for eggs. The increased consumption of eggs within Canada has tended to offset the lack of a 1950 British contract. Eggs exports to the United States during this period were greater than they were in 1949, but the majority of this movement took place in January when Canadian egg prices were unsupported and very low.

U.K. LIBERALIZES USE OF MILK  
FOR MANUFACTURING

The United Kingdom's Minister of Food announced that owing to considerable increase in milk production any British food manufacturer who wishes to use milk in the manufacturing of his products, will be allowed to do so freely during the period from April 9 to July 1, the season of flush supply.

Supplies of milk to household consumers have been unrestricted since January 15.

A general license has also been issued under the Cheese (Control and Maximum Price) Order, 1948, allowing soft cheese and curd cheese to be sold free from price control during the period from April 9 to July 1.



TOBACCOAUSTRIA'S TOBACCO IMPORTS, PRODUCTION  
CONSUMPTION AND STOCKS HIGHER

Austria's 1949 imports of leaf tobacco are estimated at 135 percent above the 1948 level, according to the American Legation in Vienna. Domestic production of leaf in 1949 was approximately 40 percent above the 1948 harvest. The consumption of tobacco products also increased in 1949, but due to the greatly increased imports stocks of leaf on hand at the beginning of 1950 are estimated at 225 percent above January 1, 1949.

The country's 1949 commercial imports of leaf are preliminarily estimated at 23.8 million pounds, compared with 10.1 million in 1948 and 6.3 million in 1947. Greece, Turkey, and Yugoslavia were the most important sources of leaf imports in 1949. These countries supplied 8.0, 3.0 and 2.5 million pounds, respectively. Imports from the United States totaled only 1.0 million pounds, or 4 percent of the total in 1949, compared with 4.7 million pounds, or 47 percent in 1948. Other important sources of leaf in 1949 include Bulgaria, Hungary, Italy, India, the Dominican Republic and Brazil.

Deliveries of 1949 crop domestically-grown leaf to the Austrian Tobacco Monopoly, which controls the production, manufacture and sale of tobacco leaf and products in Austria, totaled approximately 925,000 pounds in 1949, compared with 660,000 pounds in 1948. Hungarian varieties, chiefly Debreceeni which is used in pipe mixtures and chewing tobacco, accounted for over 80 percent of total production. Cigar-type leaf accounted for the bulk of the remainder. Domestic production has never accounted for more than a small fraction of the country's total leaf requirements.

Sales of tobacco products by the Austrian Tobacco Monopoly to retailers, which is the best available measure of the movement of tobacco products through legal channels to consumers, was considerably higher in 1949 than in 1948. Cigarette sales totaled 4,734 million cigarettes, or 20 percent above the 3,934 million units sold in 1948. Sales of other tobacco products in 1949 were: Cigars, 59.4 million units; chewing tobacco, 3.8 million packages of 20 grams each; and snuff, 59,800 pounds. This compares with sales in 1948 as follows: Cigars, 72.5 million units; chewing tobacco, 2.0 million packages of 20 grams each; and snuff, 55,600 pounds.

Monopoly stocks of leaf tobacco on hand as of January 1, 1950, are estimated at approximately 21 million pounds. This compares with about 6.5 million on hand January 1, 1949. Although overall stocks are believed to be sufficient for 1 1/2 years' consumption, stocks of a number of types are reported to be very low when compared with current usings. Stocks of United States types of leaf are reported to be far below the overall average and in general are not sufficient to cover consumption requirements beyond August, 1950.

CUBA'S TOBACCO PRODUCTION  
AT RECORD LEVEL

Cuba's 1949-50 production of leaf tobacco, which is estimated at 88 percent above the 1948-49 harvest is the largest tobacco crop on record for that country, according to the American Embassy in Havana.

The 1949-50 crop is estimated by Trade sources at 100.0 million pounds from 136,000 acres, compared with 53.3 million pounds from 111,956 acres in 1948-49 and 59 million pounds from 111,454 acres in 1947-48. Production by regions in 1949-50 is estimated as follows: Remedios, 60.0 million pounds; Vuelta Abajo, 32.0 million; Semi-Vuelta, 3.0 million; Partido, 2.5 million; and Oriente, 2.5 million pounds. The large increase in production in 1949-50 is due to very favorable weather during the growing season, particularly in the Remedios region, and to the fact that the Cuban Government did not limit the production of sun-grown leaf as it did in 1947-48 and 1948-49.

Due to the large 1949-50 crop Cuban stocks of leaf at the end of the current calendar year are expected to total approximately 125 million pounds. This compares with stocks of about 90 million pounds on December 31, 1949 and 98 million pounds at the end of 1948.

GRAINS GRAIN PRODUCTS AND FEEDS  
(Continued from Page 524)

BRAZIL HARVESTS RECORD  
RICE CROP

Brazil's rice crop now being harvested is expected to be the largest on record as a result of generally excellent weather from January through April, particularly in the central States, according to a report from the American Consulate at Porto Alegre. The 1949-50 harvest is estimated at 6,200 million pounds of rough rice compared with 5,400 million pounds a year earlier, and an average (1936-40) of 3,000 million pounds before the war.

Exportable supplies from the new crop are estimated at between 300 and 400 million pounds of milled rice provided barter transactions can be arranged. The Bank of Brazil announced May 13 it will consider proposals to barter rice for wide-range essential imports, and that it will receive these proposals between May 30 and June 20. Barter arrangements are expected to make Brazilian rice competitive with rice from other sources, despite relatively high domestic prices. The United Kingdom, Germany, Switzerland and other European countries are mentioned as possible buyers.

The State of Sao Paulo in central Brazil this year reportedly has 175 million pounds of milled rice available for export from the current harvest. This provides an increase in Rio Grande do Sul's 1950 export availabilities to approximately 200 million pounds. All of the surplus in Rio Grande do Sul, Brazil's principal exporting State, in 1949 was shipped to Central Brazil, thus permitting no exports to foreign countries.



Shipments from Rio Grande do Sul to other States during the first quarter of 1950 totaled 57 million pounds, a 30-percent increase over the 44 million pounds in the corresponding period of 1949. Over one-half of the shipments were consigned to Rio de Janeiro and the Federal District. Only 132,000 pounds were exported to foreign countries during the quarter.

Announcement of this year's large harvest caused a pronounced drop in rice prices throughout Brazil. F.o.b. Porto Alegre short-grained rice was quoted May 4 at \$8.88 per 100 pounds. The extent of the price decline on Brazilian markets is shown in accompanying tables.

RICE: Wholesale monthly average prices at Porto Alegre, November 1949 to March 1950, per 100 pounds

Month	: Agulha	: Blue Rose	: Japanese
	: first	: first	: first
	: <u>Dollars</u>	: <u>Dollars</u>	: <u>Dollars</u>
1949	:	:	:
November.....	10.46	10.86	9.14
December.....	10.46	9.91	8.88
1950	:	:	:
January.....	10.46	9.63	8.91
February.....	11.00	8.58	8.48
March.....	9.23	7.71	7.58

Boletim da Bolsa de Mercadorias.

Taxes on rice in Rio Grande do Sul on sales within the State are 3 percent and for exports there is an additional 5-percent levy. The export tax is expected to be reduced to 2 or 1 percent, or possibly even abolished.

RICE: Wholesale prices in Rio de Janeiro and Sao Paulo, specified periods, per 100 pounds

Location and type	: January 21	: April 22
	: <u>Dollars</u>	: <u>Dollars</u>
Rio de Janeiro	:	:
Agulha, special.....	12.31-12.51	8.88-9.29
Blue Rose, first.....	10.90-11.10	8.48-8.68
Japanese, first.....	10.25-10.33	8.07-8.23
Sao Paulo	:	:
Agulha, special.....	13.08	8.07-8.48
Blue Rose, primeira.....	11.30	not quoted
Japanese, primeira.....	10.66	1/ 6.86

1/ April 15.

Consultor do Comercio.